

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1. CONTRACT ID CODE		PAGE OF PAGES <b>1</b>   <b>1</b>	
2. AMENDMENT/MODIFICATION NO. <b>0006</b>		3. EFFECTIVE DATE <b>7/29/01</b>		4. REQUISITION/PURCHASE REQ. NO.	
5. PROJECT NO. (If applicable)					
6. ISSUED BY <b>DEFENSE FINANCE AND ACCOUNTING SERVICE ACQUISITION SUPPORT ORGANIZATION-DFAS-ASO/DPA 1931 JEFFERSON DAVIS HIGHWAY ARLINGTON, VA 22240-5291 ATTN: JANET CARLSON (703) 607-1031 FAX (703) 607-1573/2132</b>		7. ADMINISTERED BY (If other than Item 6) <b>SAME AS BLK #6</b>		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and ZIP Code)		<input checked="" type="checkbox"/> X <input type="checkbox"/>		9A. AMENDMENT OF SOLICITATION NO. <b>MDA220-01-R-0001</b>	
				9B. DATED (SEE ITEM 11) <b>1/24/01</b>	
				10A. MODIFICATION OF CONTRACT/ORDER NO.	
				10B. DATED (SEE ITEM 13)	
CODE		FACILITY CODE			
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>					
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <u>  X  </u> is extended, <u>  </u> is not extended to September 17, 2001, 3:00 PM EDT					
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning <u>  1  </u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; of (c) By separate letter of telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
<b>12. ACCOUNTING AND APPROPRIATION DATA (If required)</b>					
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>					
<input checked="" type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)				
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
	D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return <u>  2  </u> copies to the issuing office.					
<b>14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</b>					
<p><b>The purpose of this amendment is to extend the date and time for submission of proposals to September 17, 2001, 3:00 PM EDT, provide answers to vendor questions as detailed on page 2 and to remove the workload represented by the Army MOA out of the scope of the study. Changes made to the PWS and Attachment J-6 in Amendment 0003 have also been incorporated. The revised PWS, Sections L-M (L.6(c) deleted), Section J-4 and Section J-6 are posted on the web site, along with additional exhibits and files referenced in the answers to questions.</b></p>					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
15A. NAME AND TITLE OF SIGNER (Type of print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or Print)			
		<b>Janet M. Carlson</b>			
15B. CONTRACT/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
_____ (Signature of person authorized to sign)		_____ (Signature of Contracting Officer)			

Control #	QUESTION	RESPONSE/TASKING/ISSUE
01	Can you please explain why the recently awarded DFAS DRAS contract is a 10 year contract and SAA is only a 5 year contract? It seems that both these contracts are very similar and a ten year life is much more appropriate for SAA.	DFAS established the contract length for the Security Assistance Accounting (SAA) requirement after considering factors such as out-year work count predictability; the degree of volatility in FMS sales; the evolving nature of internal and external migratory systems; potential replacement of IT systems by SAA customers; price risk; and the scope of the SAA requirement. DFAS assessed analogous factors when establishing a contract length for Retired and Annuitant Pay, and selected a contract length appropriate for that operational environment
02	Must a bidder currently be classified CMM Level 2, in order to propose a replacement of the DIFS with another AIS?	Section C-6.3.1 of the PWS states that the contractor proposing an alternative AIS to DIFS is expected to meet the SEI CMM Level 1 related tasks at contract award with a goal to reach Level 2 or higher for those tasks during option years.
03	How and where is the cost of the COSP and the COOP included in the MEO comparison?	The cost of the COSP and COOP are not included. If these had to be implemented the costs would be separately negotiated, depending on the specific requirements.
04	The MEO comparison requires only a 12% overhead rate, however it is our understanding that the SAA currently is experiencing a 28% - 30% overhead rate and that these costs will still be incurred by the SAA, however in accordance with your answer to question 6 Amendment 2 you indicate the additional costs won't be included in the MEO comparison. It is our understanding that any costs, which continue to be incurred, must be included in the MEO comparison, please explain.	The OMB Circular No. A-76 Revised Supplemental Handbook, Part II, Ch. 2, Section E, prescribes application of an overhead factor of 12 percent against certain direct costs within the in-house cost estimate. That factor will be utilized during the cost comparison.

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05	Your answer to our question number 4, Amendment 2 indicates that DSCA pays for the operations, maintenance, and enhancement of DIFS. If a bidder proposes an AIS will the projected DIFS operating, maintenance, and enhancement costs be included in the MEO cost comparison and if so, how much will be included?	Response pending
06	If a bidder proposes a new AIS will the MEO also include the cost of providing a new AIS, if not, how will the two solutions be evaluated?	Response pending
07	It is our understanding that, under A-76, the RFP is supposed to be performance based. If so, why does the RFP stipulate that at least 1/3 of the staff must be accountants and will the government remove this requirement?	The RFP does not state that 1/3 of the staff must be accountants. The government did elect to require some professional education requirements for contractor personnel. Section C-1.4.4 requires that 1/3 of the FTEs hired to perform the work must have 24 semester hours of accredited accounting courses.
08	Is the SAA considered an appropriated fund, and if so, will a one-time conversion charge be assessed in the MEO comparison?	Security assistance funds consist of both appropriated and non-appropriated funds. SAA operations performed by DFAS are reimbursable operations funded utilizing the Defense-Wide Working Capital Fund. No one-time conversion charge is required for the MEO comparison.
09	Are the staff in Denver performing different functions than those located in the field sites, if so please explain the differences.	The DFAS field sites primary do installation level accounting; the DFAS Denver performs a combination of installation level accounting, departmental level accounting, and corporate-level account. More information was provided in the file FTEs by Location posted in answer to question #3 under amendment #

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		<b>2. In addition, information by various business processes performed at the various DFAS locations was originally depicted in the technical library (CD 1 of 2) in the file “Business Processes Performed by Security Assistance Employees.” However, this file was prepared prior to any reduction of scope outlined in the PWS.</b>

Contro l #	QUESTION	RESPONSE/TASKING/ISSUE
10	Please provide a breakdown of the costs in the overhead charge, and identify any of those costs that will be incurred by a contractor or the MEO.	We provided detailed information in our response to questions 1, 6, and 7 as well as the further breakouts in answers to questions 1 and 2 and the associated files attached for these questions under amendment #5. The OMB Circular No. A-76 Revised Supplemental Handbook, Part II, Ch. 2, Section E, prescribes application of an overhead factor of 12 percent against certain direct costs within the in-house cost estimate. That factor will be utilized during the cost comparison.
11	Please identify the lines of the budget that will be included in the MEO comparison.	See our response to the question above and our particularly response to questions 1 and 2 of amendment #5.
12	Please provide all information available that describes the current SAA staff benefits plan including an employee handbook.	Federal employee benefits plans are common across all federal agencies and can be viewed at the following web sites:  Leave: <a href="http://www.opm.gov/oca/index.htm">http://www.opm.gov/oca/index.htm</a> Insurance (FEHB and FEGLI): <a href="http://www.opm.gov/insure/index.html">http://www.opm.gov/insure/index.html</a> Retirement: <a href="http://www.opm.gov/retire/index.htm">http://www.opm.gov/retire/index.htm</a> Holidays: <a href="http://www.opm.gov/oca/worksch/index.htm">http://www.opm.gov/oca/worksch/index.htm</a> TSP: <a href="http://tsp.gov">http://tsp.gov</a> Workers Compensation Program: <a href="http://www.dol.gov/dol/esa/public/regs/compliance/owcp/fecac ont.htm">http://www.dol.gov/dol/esa/public/regs/compliance/owcp/fecac ont.htm</a>  In addition the DFAS Employee Orientation Reference Guide has been posted to the web along with this amendment.
13	What is the estimated level of effort for "special projects"?	Special projects appear in two locations, paragraph C-5.1.1 of section C and also in the J.6. Exhibit, Workload Estimates, on page 1 and 6 against the lines citing paragraph C-5.1.1 of the section C. Workload

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		of 179 special projects are listed in two categories in the detail on page 6 of the exhibit shown as a number of transactions per month and also the number of reports we received annually that require specific actions.
14	Are there any restrictions on the phone systems, networks, furniture, equipment, etc. that can be installed if we propose to utilize the DFAS facility?	The restrictions involving the use of the ELAN and modification, replacement, maintenance, accountability, and disposition of government furnished property and equipment are spelled out in exhibit J.4. At DFAS Denver network cabling must run through the ceiling and must be plenum rated. Also at DFAS Denver equipment changes must be reviewed for energy consumption and power availability. Other than these requirements we are not aware of any specific restrictions.
15	Has the government developed any specifications for future enhancements to DIFS, and if so is this information available for bidder's review?	There are no major enhancements planned for the DIFS system. All funded and unfunded System Change Requests (SCR) are considered minor alterations to existing DIFS functionality. Some of the requested changes have come from the Defense Security Cooperation Agency (DSCA) which are the result of Office of the Under Secretary of Defense(Comptroller)(OUSD(C) policy direction. Other changes are the result of internal initiatives to enhance customer support in performance of their mission. More details are provided in the attached file "DIFS System Changes".